

# PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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## MEMORANDUM

TO: West Springfield Retirement Board

FROM: John W. Parsons, Esq., Executive Director

RE: Approval of Funding Schedule

DATE: November 23, 2020

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made quarterly in equal installments each fiscal year. The schedule is effective in FY21 (since the amount under the prior schedule was maintained in FY21) and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption from 7.50% to 7.25% and an adjustment to the salary increase and fully generational mortality assumptions.

If you have any questions, please contact PERAC's Actuary, John Boorack, at (617) 666-4446, extension 935.

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**WEST SPRINGFIELD RETIREMENT SYSTEM**  
**FUNDING SCHEDULE with 3(8)(C) - 12 years: 4.20% increases**  
MP-2019; 7.25% Discount Rate; New salary scale

Fiscal Year	Normal Cost	Unfunded Liability	Funding Amortization of UAAL	Net 3(8)(c) Payments	Schedule Contribution	Adjusted Payments	% Change
2022	1,580,637	67,130,908	6,185,443	(86,414)	7,679,667	7,882,396	4.20%
2023	1,630,032	65,364,011	6,458,595	(86,414)	8,002,213	8,213,457	4.20%
2024	1,691,158	60,337,303	6,733,561	(86,414)	8,338,306	8,558,422	4.20%
2025	1,754,577	57,490,013	7,020,352	(86,414)	8,688,515	8,917,876	4.20%
2026	1,820,373	53,142,070	7,319,473	(86,414)	9,053,432	9,292,426	4.20%
2027	1,888,637	49,144,736	7,631,453	(86,414)	9,433,676	9,682,708	4.20%
2028	1,959,461	44,522,996	7,956,843	(86,414)	9,829,891	10,089,382	4.20%
2029	2,032,941	39,217,199	8,296,219	(86,414)	10,242,746	10,513,136	4.20%
2030	2,109,176	33,162,751	8,650,179	(86,414)	10,672,941	10,954,688	4.20%
2031	2,188,270	26,289,733	9,019,348	(86,414)	11,121,205	11,414,785	4.20%
2032	2,270,330	18,522,488	9,404,379	(86,414)	11,588,296	11,894,206	4.20%
2033	2,355,468	9,779,172	9,779,172	(86,414)	12,048,226	12,366,277	3.97%
2034	2,443,798	-	-	(86,414)	2,357,384	2,419,615	-80.43%

**Amortization of Unfunded Liability as of July 1, 2021**

Year	Type	Original Amort. Amount	Percentage Increasing	Original # of Years	Current Amort. Amount	Years Remaining
2022	Fresh Start	N/A	N/A	12	N/A	12

\* Includes recognition of the following asset gains/(losses) in Fiscal 2024 and 2026:

2024	\$2,838,756
2026	\$986,642

\*\* Contributions are set to be the amount resulting from a 4.2% increase on the prior year's contribution. The contribution in FY2033 increases by 3.97%.